appeared a danger that the whole of our import and export trade, vital to maintain our supplies of food and raw materials, might be paralysed. Urgent representations were made to me as Chancellor of the Exchequer, since the matter was one which could only be remedied by the Government carrying the risk for War losses. As I took part in some with the co-ordinate questions of credit and finance, which were then deeply preoccupying me, it was a matter of taking State action to restore confidence. So I took steps to have the issue promptly investigated, and a meeting took place around my breakfast table at 11, Downing Street, on Saturday, 1st August, 1914, at which the Ministers and officials most closely concerned were present. Our discussions proving inconclusive, I proceeded to secure the summoning of a special Committee of the Cabinet, to which were invited the late Mr. Huth Jackson and Sir Raymond Beck—two of the leading experts who had been engaged on the question—to expound their views on the situation and on the measures necessary to deal with it. This Committee was held the same day, and debated till nearly midnight without coming to any agreement. It was obviously impossible to leave our shipping hanging on a dead centre whilst politicians wrangled about the ideal nature and extent of State action to set it moving again. I therefore decided that the only possible course was to recommend to the Government the adoption as it stood of the detailed

scheme already prepared by the Huth Jackson Sub-Committee. For an imperative need, better an imperfect plan than none at all.

The whole of Sunday was occupied in working out the administrative and other measures for applying